

an>

Title: Need to provide financial relief to farmers through Nationalised Banks.

SHRIMATI C.S. SUJATHA (MAVELIKARA): Mr. Deputy-Speaker, Sir, it is a very important matter.

The crisis in the agricultural sector in the country is going on unabated and reports of farmers' suicides continue to pour in from different parts of the country. There are numerous reasons for the sad state of affairs in the agriculture sector. The inadequate availability of loans with low interest rates through nationalized banks and financial institutions is a major reason pushing farmers into debt traps. The absence of such institutions in rural areas and the low percentage of agricultural loan disbursement by the nationalized banks are being exploited by private money-lenders who lend out loans to the needy farmers at exorbitant interest rates.

In this situation, the Government have to evolve a comprehensive mechanism to reach financial relief to the suffering farmers making available loans at low interest rates through public sector banks and financial institutions which will help in liberating the farmers from the clutches of greedy private money-lenders. The Government of Kerala recently introduced the 'Agricultural Debt Relief Bill' aiming to provide relief to the farmers who are affected by agrarian crisis and to provide relief to farmers who are unable to repay agricultural loans.

But the enactment of laws by the State alone cannot help the situation as the nationalized banks and financial institutions would be out of the ambit of such Acts. Hence, a comprehensive central legislation is imperative to have legal binding on these financial institutions for providing loans and financial relief to the farmers.

I urge upon the Government to take urgent measures to bring in a new legislation in this regard.

DR. K.S. MANOJ (ALLEPPEY): Sir, I associate myself with what she has stated.